

NOV 01 '07

2-48 PM

FIRST UNION RAIL

SURFACE TRANSPORTATION BOARD

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847.318.7575
Fax 847.318.7588
www.firstunionrail.com



VIA UPS 2nd DAY AIR

October 31, 2007

Mr. Vernon E. Williams
Surface Transportation Board
395 E Street, S.W., Suite 100
Washington, DC 20024
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and one (1) copy of a Memorandum of Lease Agreement, dated February 5, 2007, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Surface Transportation Board under Recordation Number 22581.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Cascade and Columbia River Railroad Company
5300 Broken Sound Blvd, NW
Boca Raton, FL 33487


A description of the railroad equipment covered by the enclosed document is for thirty (30) 2743 cu. ft. capacity gondola cars, marked NOKL (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397.
Thank you for your cooperation in this matter.

Very truly yours,


Marcia Dunne
Rail Documentation Specialist

Enclosures

NOV 01 07

2-48 PM

ASSGN. NO. CSCD124

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 5th day of February, 2007, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Cascade and Columbia River Railroad Company ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of June 15, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 118 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of April 12, 2006, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. SeymourName: RICHARD F. SEYMOUR
Title: VICE PRESIDENT SALES & MARKETINGBy: Susan Grokulska
Name: SUSAN GROKULSKYTitle: ASST. DIRECTOR DOCUMENTATION Executed on this 5th day of February 2007.

[CORPORATE SEAL]

STATE OF IllinoisCOUNTY OF Cook

I, Janice L. Enolva, a Notary Public of the County and State aforesaid, certify that Richard F. Seymour personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 5th day of February, 2006.

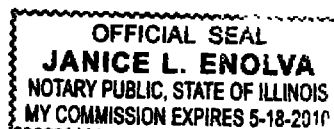
Janice L. Enolva

Notary Public

My Commission Expires:

5-2010

(Notary Public)



LESSEE:

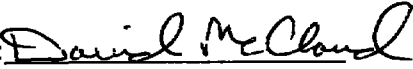
CASCADE AND COLUMBIA RIVER RAILROAD COMPANY

By: 

Name: Tom Owen

Title: SVP Business Development

ATTEST:

By: 

Name: David McClure

Title: Manager- Fleet

Executed on this 31st day of January, 2006⁷

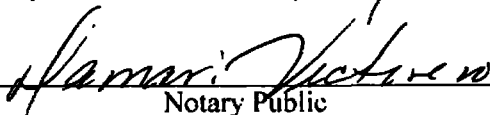
[CORPORATE SEAL]

STATE OF Florida

COUNTY OF Palm Beach

I, Damari Victorero, a Notary Public of the County and State aforesaid, certify that Tom Owen personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 31st day of January, 2006.


Notary Public

Commission Expires:

Oct. 17, 2008
(Notary Public)

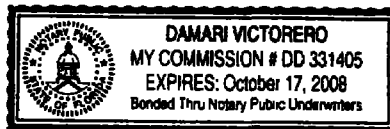


EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Thirty (30)

DESCRIPTION OF CARS: 2743 cubic foot capacity gondola cars, with 286,000 GRL (Car type E534).

CAR NUMBERS:

NOKL 320602
NOKL 320605
NOKL 320609
NOKL 320610
NOKL 320611
NOKL 320612
NOKL 320616
NOKL 320619
NOKL 320624
NOKL 320626
NOKL 320630
NOKL 320632
NOKL 320633
NOKL 320635
NOKL 320636
NOKL 320643
NOKL 320646
NOKL 320651
NOKL 320656
NOKL 320658
NOKL 320664
NOKL 320672
NOKL 320679
NOKL 320684
NOKL 320685
NOKL 320688
NOKL 320690
NOKL 320691
NOKL 320693
NOKL 320696
Count: 31